308. Section H.18, (b),(1) defines "grandfathered employees" as those who are non-managerial employees (i.e., those below the first level of supervision.)" Please define this further. Is the first level of supervision with BJC only? Does the first level of supervision apply to first and second tier subcontractors?

Answer: First level of supervision is applicable to BJC and it's first and second tier subcontractors.

309. [Paducah] If the current contractor (a large business) who holds the scrap metal contract which is to be assumed by the winning contractor for the Paducah Gaseous Diffusion Plant, or a member of the current contractor's team were to bid on this contract, would this constitute a conflict of interest or a violation of the small business affiliation rules?

Answer: The DOE does not determine affiliation. The Small Business Administration has the exclusive and sole authority to determine size status including affiliation. Conflict of Interest issues are evaluated by DOE on an individual basis, taking into consideration the facts and circumstances and the outcome of these reviews cannot be pre-determined. Conflicts will be decided in accordance with applicable regulations.

310. Please refer to Section B.2.4, Incentive Fee. Can DOE please provide a mathematical formula on how the fee will be calculated at the completion of the work. In addition, an example of how the Target Fee is adjusted based upon a \$10 million cost overrun and an actual cost \$10 million under Target Cost.

Answer: The following scenarios of final fee calculation are provided for illustrative purposes only to demonstrate how the fee adjustment calculation for the cost incentive is performed. Offerors shall propose a target cost, target fee, maximum fee, minimum fee and share ratio as specified in the RFP. In this example, the same share ratio (70/30) was used for overruns and underruns.

The Portsmouth anticipated funding profile is \$273M. The example contractor proposes a target cost of \$200M with a proposed target fee of 8% (\$16M), and a fee adjustment (share ratio) of 70/30 (Government/contractor). The contract defines the minimum fee as 2% of the proposed target cost. For this example, the minimum fee is \$4M or (\$200M x 0.02 = \$4M).

Scenario 1. An actual cost of \$190M is incurred. The target cost minus the actual cost equals \$10M or (\$200 - \$190 = \$10M). The contractor's share of this cost savings equals \$3M or ($$10M \times 0.3 = $3M$). The cost incentive fee calculation is the target fee plus the contractor's share of the cost savings generated from the share ratio (\$16M + \$3M = \$19M). The total cost of the contract under this scenario is the actual cost plus the final fee or (\$190M + \$19M = \$209M).

Scenario 2. An actual cost of \$210M is incurred. The target cost minus the actual cost

equals -\$10M or (\$200M - \$210M = -\$10M). The contractor's share of this overrun is 30% or (-\$10M x 0.3 = -\$3M). The cost incentive fee calculation is the target fee minus the contractor's share of the cost overrun generated from the share ratio (\$16M - \$3M = \$13M). The total cost of the contract under this scenario is the actual cost plus the final fee or (\$210M + \$13M = \$223M).

NOTES: Other terms and conditions of the contract may affect the amount of fee, e.g. B.2.7.

All funding requirements are subject to the "Availability of Funds" and "Limitation of Funds" clauses of the contract. Offerors are reminded to propose within the funding parameters specified in the solicitation.

311. H-15 of 21; RPF H.18 (a)(1); "Grandfather employees" are non-managerial employee. Incumbent supervisors and managers that we may pick up on our contract have not been identified in the RFP. What / how should we treat these employees?

Answer: Incumbent BJC Supervisors and BJC Managers are entitled to the same rights as other employees defined as preference eligible employees and incumbent employees. A reminder that no employee who qualifies as a grandfathered employee under the BJC MEPP shall lose such rights as a result of the transition.

312. Volume II: Neither Section III, Experience, nor Section V, Past Performance, indicate that Project Descriptions are required as part of the submittal. Will the DOE: (a) rely solely on the Past Performance Questionnaires for project experience? (b) require Project Descriptions to be included in either Section III or Section V?

Answer: The DOE will not use Past Performance Questionnaires to evaluate the Section M.4.III Experience criterion. Section L.17(b) III requires offerors to provide information that demonstrates it's experience in performing similar type work activities; it's ability to perform the SOW and to demonstrate the correlation of the complexity of activities, duration and/or risk, of prior experience to that in the SOW. Offerors should provide sufficient and adequate information to evaluate experience in accordance with M.4.III. Project descriptions/contract scope of work, activities performed, or other similar information should be submitted, if necessary, in order to demonstrate offeror's prior experience in performing projects similar in work scope and complexity of activities, duration and/or risk to that in the SOW. It is the offeror's responsibility to demonstrate the above.

313. PA-0040 – Nuclear Facility D&D – Paducah: This section states "The proposed cleanup plan accelerates cleanup of high-risk areas from the original FFA commitment of 2010 to 2006, while reducing overall costs." Please provide a reference for the "proposed cleanup plan," state when and where DOE will make the plan available, and identify all "high-risk areas" that are subject to accelerated cleanup by 2006.

Answer: Offerors are to prepare their proposals to include the work scope as stated in the

- RFP. There is no specific document or reference related to the "proposed cleanup plan" and there are no specifically identified "high-risk areas." The Remedial Action Work Plan and the Engineering Evaluation/Cost Analysis for C-410 describe the current cleanup plan.
- 314. Please provide an organization structure and description of the DOE PPPO project office roles and responsibilities. Who is the point of contact for the remediation contractor for each site?

Answer: The organizational structure when available will be posted to the Remediation Web Site. The point of contact will be the Contracting Officer.

315. Please confirm that preference in hiring applies only to any new vacancies and that incumbents continue to fill current positions? What level of positions on BJC organization chart will not be treated as incumbents?

Answer: The question is not clear. There are no <u>current</u> positions to be filled by the incumbents as the contracts have not been awarded. All employees on the roles of BJC have the hiring preference for vacancies for the 1st six months for non-managerial positions (i.e., all those below the first line of supervision) with the new contractors in accordance with H.18(c).

316. The list of Government-Furnished Property (GFP) for Paducah does not include any radiation surveying or monitoring equipment, or dosimetry equipment. Is this equipment available to the remediation contractor as additional GFP that is not listed in the RFP, or is this equipment the property of the subcontractor currently providing Radiological Control Technicians? If this equipment is available for remediation contractor use, please provide a list of the equipment and its condition. If this equipment is not available for remediation contractor use, is there a list of equipment that the current subcontractor is using that the DOE can make available (the list of subcontractor equipment currently being used) for use by the future remediation subcontractor for more accurate costestimating purposes in this proposal?

Answer: The DOE-owned rad instrumentation available for use by the Remediation contractor at Paducah has been posted to the Remediation Web Site.

317. [Paducah] We believe that Weskem, working as a subcontractor to BJC, has a significant number of PACE personnel. Lack of information on the Weskem contract (i.e., number of PACE employees – Grandfathered and nongrandfathered) has impacted our ability to develop direct labor bases and associated fringe costs under the Multiemployer Welfare Arrangement and the Multi Employer Pension Plan for the 5 contract years. Labor base assumptions (i.e., the number of hourly personnel included in the base) can swing the overall fringe rate 10 to 20 percent. While we can estimate these numbers, lack of detailed information has impacted our ability to develop fringe rates for exempt and nonexempt personnel further impacting our ability to schedule the SOW relative to the sites funding profile.

Answer: Offerors do not have to provide the detailed cost information for the subcontracts DOE has directed to be assumed. This was revised in Amendment 0002.

318. Section L, Attachment 2, Resume Format requires the telephone number and address of the key person's current supervisor. If DOE contacts the person's supervisor to obtain a reference for another job, it could conceivably cause irreparable harm to the person's current employment status. Would DOE consider eliminating this requirement in lieu of additional "Reference" provided in the resume?

Answer: The requirement will not be eliminated. However, if a proposed Key Personnel has a circumstance that "could conceivably cause irreparable harm to the person's current employment status" they may indicate on their resume that they would prefer if their current supervisor was not contacted.

319. [Paducah] Regarding SOW Element C.1.4.1.2. On the site tour it was observed that work on the Onsite North/South Diversion Ditch surge basin was complete. What portion of this effort will not be complete upon contract award/transition? We are also aware that an RFP to complete remediation of Section 1 has been issued by BJC-with work to commence early spring with completion by late summer. a. What percent complete will the remediation effort be at the end of the current contract? b. If incomplete, will this new contract be one that we will be required to transition? c. If incomplete, what is BJC's proposed schedule and funding profile? d. Will the waste soil be dispositioned during the current BJC contract? If not, what amount of waste should be priced for disposition?

Answer: The construction of the surge basin in Section 2 was deleted from the Scope of Work in Amendment 0001. It is anticipated that the excavation work for Section 1 of the North/South Diversion Ditch will be completed by 10/1/04. Section C.1.4.1.2 of the SOW was revised in Amendment 0004 to include only preparation of the final report.

320. Amendment 0001 Item 20 adds the following sentence to the RFP Sections C.2.7.4 "The contractor shall provide other support to DOE in connection with legal or regulatory proceedings and enter into joint legal representation agreements at DOE's request". a. Please provide clarification to Section C.2.7.4 Administration which is inclusive of Amendment 0001 item 20 stated above. b. Also please clarify what's meant by a "joint legal representation agreement". Is DOE looking for the awarded contractor to provide a legal or paralegal support person, and if so, would this person be considered a billing person under the contract?

Answer: a. The DOE does not understand this question. The Section C.2.7.4 was revised by Amendment 0001 to include the referenced sentence at the end of the paragraph. b. The DOE may request the new contractor(s) to enter into joint legal representation rather than separate legal representation for each party for a particular issue (e.g., BJC and Remediation contractor use one outside law firm for a particular issue). The DOE is not intending the new contractor to provide a legal or paralegal support person to the DOE,

but the Remediation contractor may be required to provide an expert witness or participate in providing information under discovery orders served upon the DOE.

321. Clause B.1.2 states "It is anticipated that annual contract funding will be provided on or before December 31 of each fiscal year..." Does this mean that the contractor will be expected to operate "at risk" for the period from October 1 until the funding is provided?

Answer: Contractors are not expected to operate "at risk" (i.e., no funds available) Offerors are expected to operate on carryover funding from the beginning of the fiscal year until such time as funding is provided. Compliance with the "Limitation of Funds" Clause in Section I is also required.

322. The recently available projection of employer benefit cost indicates an average annual pension cost of \$5,390 for grandfathered employees. We had understood from other contractors that the plan is fully funded and no contributions have been required in recent years. We assume that the \$5,390 is now the best available information to be used for this component of fringe benefit costs. In the event that contribution requirements vary significantly from the \$5,390 amount, will this be a basis for change in target cost?

Answer: It will not automatically be a basis for a change in Target Cost. Changes in Target Costs will be made in accordance with the terms and conditions of the solicitation/contract.

323. Part of the N/S Diversion Ditch RFP (issued by BJC and awarded to Sevenson) had the majority of the waste going to the C-746-U Landfill. In order to accomplish this the landfill WAC would have to be changed. Has the change in the WAC (to accept LLW and/or RCRA/TSCA) for C-746-U Landfill received regulatory approval?

Answer: The waste being sent to the C-746-U landfill meets the WAC, which does not include LLW or RCRA/TSCA. There are no plans at this time to change the WAC.

324. We are assuming that all scrap metal and waste streams will be characterized, decontaminated to meet WAC and shipped for disposal offsite? Can we assume that some of the scrap metal and DMSA material will be decontaminated and placed in the C-761-U Landfill?

Answer: Waste should be dispositioned according to its characterization and dispositioned in the most cost effective manner, including both on-site and off-site disposal. All waste being dispositioned is required to meet the disposal facility Waste Acceptance Criteria (WAC) including any materials such as scrap metal or DMSA materials sent to C-746-U landfill. It should be noted that waste that meets the WAC from both the Scrap Metal and DMSA projects is currently being dispositioned in the C-746-U landfill.

325. Will the Offeror have to establish "waste profiles" with disposal facilities? Will

DOE provide available waste profiles for TRU waste, RCRA listed waste, TRUM waste.

Answer: Yes, all waste profiles for disposal facilities will have to be established by the contractor.

326. [Section C.1.4 Soils] On the site tour, it was indicated that much of the work to be performed for the NSDD, Sections 1 and 2, including excavation work and filling the culverts with concrete, has been completed. Are we to base our cost estimates on language contained in the RFP SOW or on the work remaining to be completed? Or are we to base our cost estimate on the RFP language taking into consideration the work that will be completed prior to award of the contract?

Answer: Offerors are to base their proposal and the cost estimate on the RFP and any amendments. It is anticipated that the excavation work for Section 1 of the North/South Diversion Ditch will be completed by 10/1/04. Section C.1.4.1.2 of the SOW was revised in Amendment 0004 to include only preparation of the final report.

327. [Paducah] DOE posted the following information relative to the total number of BJC, 1st and 2nd tier employees at Paducah. Do the hourly personnel counts include craft/PACE employees?

Grandfathered*: Salaried Personnel 101 Hourly Personnel 64

Non-Grandfathered: Salaried Personnel 65 Hourly Personnel 20

Not Covered by a BJC Benefit Plan: Salaried Personnel 131 Hourly Personnel 49 Total 430

Answer: Yes.

328. Will existing RADCON protection equipment be provided to the remediation contractor?

Answer: Yes. The following DOE-owned rad instrumentation is available for use by the Remediation contractor at Portsmouth:

Manufacturer, Model #, and number of each "meter" currently in use. Thermoluminescent Dosimeters (TLDs) are supplied by Oak Ridge National Laboratory, about 400 are issued quarterly to Rad Workers. There are about 200 Personal Neutron Accident Dosimeters in use supplied by ICN. Portsmouth has no TLD readers.

Total # of this model:	Ludlum 12	15
Total # of this model:	Ludlum 177	1
Total # of this model:	Ludlum 2221	33
Total # of this model:	Ludlum 2360	43
Total # of this model:	Ludlum 2929	5
Total # of this model:	Ludlum 3030	3
Total # of this model:	Ludlum 43-10-1	5
Total # of this model:	Ludlum 43-37	5
Total # of this model:	Ludlum 43-5	14
Total # of this model:	Ludlum 43-93	43
Total # of this model:	Ludlum 44-9	31
Total # of this model:	SAIC AP-2	1
Total # of this model:	Eberline E-140	2
Total # of this model:	Siemens EPD-N	10
Total # of this model:	Siemens EPD-N2	5
Total # of this model:	Canberra ESPEC-2	1
Total # of this model:	Berthold LB 1043 AS	9
Total # of this model:	Canberra LB5100	2
Total # of this model:	Berthold LB770	1
Total # of this model:	Bicron MICRO REM	10
Total # of this model:	HPI REM 500	2
Total # of this model:	Eberline RM22TB	1
Total # of this model:	Eberline RO-2	3
Total # of this model:	Eberline TELESCAN	3

The DOE-owned rad instrumentation available for use by the Remediation contractor at Paducah has been posted to the Remediation Web Site.

329. The remediation contractor RFP indicates that the remediation contractor will conduct final characterization, packaging, labeling, and final disposition of infrastructure contractor generated wastes. Who (remediation contractor or infrastructure contractor) bears the cost of these activities? Note: Define required training for our people beyond infrastructure contractor supplied. (IC RFP M.5)

Answer: The Remediation contractor is responsible for final characterization, packaging, labeling, and final disposition of all acceptable wastes from the Infrastructure contractor, excluding sanitary waste and the associated costs. The training required is dependent upon the Remediation contractor(s) work methods and approaches to the SOW and should be determined by the Remediation contractor. The training provided by the Infrastructure Contractor includes: annual security refresher, general employee training, workplace violence prevention, diversity awareness, employee conduct training, business ethics/standards of conduct, fire extinguisher training, DOE Orders/Work Smart Standards at a general introductory level not-specific to any contractor's program, and ISMS at a general introductory level not-specific to any contractor's program. Other required training is defined in the regulations such as 10 CFR 835 and in the DOE

Directives.

330. Has BJC provided an estimate, or range of existing agreements, of administrative charges for MEPP and MEWA?.....or are we to assume a service agreement for administration with BJC that is of no cost to the remediation contractor?

Answer: Costs have been posted to the Remediation Web Site as a shared document.

331. Several milestones in section C occur before the anticipated contract award date or prior to completion of transition (e.g. Section C.1.1.1 Source Control Record of Decision due 8/3/04, Section C.1.2.3 Repackage all containers identified in the first inspection as necessary in accordance with the Container Management Plan and the Agreed Order due 7/29/04, complete NSDD Phase I Field Work due 6/2/04, C.1.8 Determine the source of toxicity in Outfall 001 due 6/29/04). Should we assume that these milestones have been completed when developing the cost and schedule baseline?

Answer: These milestones were revised in Amendment 0004, based on the anticipated progress in FY04 and the date the contractor assumes responsibility (10/1/04).

332. Who is responsible for paying the pension benefits and should the cost be included in the baseline cost estimate? What is the estimated cost per year for this benefit?

Answer: The Remediation contractor(s) is responsible for paying the cost of the pension benefits for its employees. The cost for the pension benefits of the current contractor employees have been posted to the Remediation Web Site. The DOE cannot make a determination of what the offeror's estimated costs for pension benefits for all of the offeror's employees will be.

333. Please provide the following information: a. How many grand fathered employees are presently at the site. b. What are their years of service and time to retirement. c. What are the staffing levels at the site presently. d. A detailed organization chart of the current organization.

Answer: The information available on current employees' status has been posted to the Remediation Web Site under reference documents for Portsmouth and Paducah as "Shared Documents." Offerors are to propose their own staffing levels. Current organization charts for the Portsmouth and Paducah sites have been posted to the Remediation Web Site. A BJC organization chart can be found at: www.bechteljacobs.com.

334. [Paducah] If additional sources of groundwater contamination are identified during the site investigations, is the remediation of those sources considered within the current scope of the contract?

Answer: A cost estimate for any additional work that results from required investigations should not be provided in the proposal. Any additional source will be handled in

accordance with the terms and conditions of the contract.

335. [Paducah] Section C.1.4 addresses soil contamination in the NSDD and the construction of sediment basins only. Does DOE anticipate remediation of additional soil contamination (e.g. onsite soils) in order to comply with this end state requirement?

Answer: Section C.1.4.1 addresses remediation of the on-site soils in Section 1 of the North/South Diversion Ditch. The scope of work is as described in Section C.1.4.1 of the RFP.

336. L.16(c) states that the offeror is to submit a fully executed Section K, Representations, Certifications, and Other Statement of Offerors. In addition to the prime, do major subcontractors need to submit a fully executed Section K? In the case of a newly formed LLC, does each member of the LLC need to submit a completed Section K or just the LLC itself?

Answer: Representations, Certifications, and Other Statements of Offerors, should be fully executed by a representative of the entity (individual representing the legal entity) making the offer and also by each joint venture member, LLC member, and Major Subcontractor.

337. RFP Section C.1.2.3.2(b) 4 states that contractor is to be named as the Landfill Operator. Does this mean that Contractor is liable for any CERCLA or RCRA permit violations and the payment of any fines including PAAA violation fines? If so, does DOE place any cap on these fines for small business contractors?

Answer: The contractor(s) is liable for violations and payment thereof and reimbursement determined in accordance with the terms and conditions of the solicitation/contract. There is no cap.

338. The RFP state that the DMSAs are collectively categorized as a Hazard Category 2 Facility. The Questions and Answers from February 24 (#107), states that some DMSAs are Category 2. Will DOE please provide a complete table of DMSAs indicating which are Hazard Category 2?

Answer: The hazard categorization information for the DMSAs is included in the Safety Basis documentation posted to the Remediation Web Site.

339. [Paducah] In reference to question 121 released on February 25, 2004, there appears to be an overlap of waste facilities and quantities and the DMSAs. Are these separate inventories?

Answer: The DMSA waste inventory provided in Exhibits C.1.2.2.a and C.1.2.2.b is separate from the waste inventory identified in Exhibit C.1.2.3a "Waste Storage Facilities."

340. The Amendment 002 language relating to the contractor signing manifest and LDRs remains unchanged. Please confirm that the contractor is signing as an agent of the DOE, as generator liability and responsibility under RCRA cannot be transferred.

Answer: Generator liability and responsibility under RCRA will be determined on a case by case basis consistent with the applicable laws, regulations and the terms and conditions of the contract.

341. (a) How many tons of the classified scrap metal at C-746-D is associated with "000" systems that have components >11 ft in diameter? (b) Has the classified scrap metal at C-746-D been characterized for disposition? (c) If only partially, what percentage has been characterized? (d) Has any classified scrap metal at C-746-D been disposed of and/or transported offsite? (e) If so, how much mass quantity has been shipped offsite?

Answer: a) None. b) Yes. c) 100%. d)/e) As of March 5, 2004, 334.41 tons have been packaged and 268.81 tons have been shipped to NTS for disposal.

342. For the DMSAs that have been characterized, is the characterization data available for both radiochemical and chemical contaminants and would support waste profiling to NTS, Envirocare, or the on-site cell?

Answer: A fully characterized DMSA supports disposition of the material. Additional data is not anticipated to be needed for disposition to NTS or Envirocare. Additional radiation surveys are anticipated for on-site cell disposal. However, the contractor is responsible for the disposition of the materials as stated in the RFP, including meeting all regulatory requirements and the receiver site's WAC.

343. Section B.1.4, Incentive Structure of the RFP sets forth an incentive fee based on costs (target cost/fee and minimum/maximum fee) and also a cost sharing (share ratio) provision. In the incentive fee, the contractor's reduction of fee for costs in excess of the target cost, is 2%. There appears to be no cap or maximum on the contractor's share of costs greater than the target cost. Do these two incentive provisions run in parallel. Assume a contract is awards with a target cost of \$100 million dollars with a fee of 5% and at \$150 million the fee drops to 2%. The contract also states that the contractor and the government have a share ration for total allowable costs greater than the target cost of 60% government and 40% contracts. If the final allowable cost of the contract is 150 million, does the contractor not only lose the \$3 million in fee (2% of \$100) but also owes the government an additional \$20 million (40% of the \$50 million above target costs)?

Answer: The share ratio and incentive fee are not two separate incentives. The share ratio indicates how the fee will be calculated if total allowable costs are over or under the Target Cost as specified in Clause I.23, Incentive Fee. The Minimum and Maximum Fee for these purposes are 2% and 12% of the proposed Target Cost, respectively. Using the example in the question, if the Target Cost is \$100M, Target Fee is \$5M, Minimum Fee

is \$2M and Maximum Fee is \$12M, and the offeror proposes a share ratio of 60% Government/40% contractor, the contractor would receive Minimum Fee (Total Allowable Cost \$150M - \$100M Target Cost = \$50M X 40% Share Ratio = \$20M to be deducted from Target Fee of \$5M) of \$2M (2% as stated in the RFP, Section B.1.4). However, there are other provisions in the contract, such as Section B.1.7 or B.2.7, Conditional Payment of Fee, that may result in reductions below the 2% minimum fee.

344. [Paducah] Given Amendment #0003 and the newly established award date assumption (8/26/04) and site responsibility assumption date (10/1/04), will there be another Amendment issued to update the scope of work (Section C) and milestones to reflect these changes and that only "Transition" will occur in FY2004? In particular, the SOW associated with milestones in Exhibit C.1.0.3:

Section C.1.1.1 -- D1 ROD by 8/3/04

Section C.1.2.2 -- Complete characterization of all Priority A DMSAs by 9/30/04

Section C.1.2.2 -- Complete characterization of DMSA C-400-05 by 9/30/04

Section C.1.2.3 -- Repackage all containers identified in the first inspection as necessary in accordance with the Container Management Plan and the Agreed Order by 7/29/04

Section C.1.4.1 -- Complete (Phase I) Field Work by 6/2/04

Section C.1.4.1 -- Remedial Action Phase II - Field Start by 9/1/04

Section C.1.8 -- Determine the source of toxicity in Outfall 001 by 6/29/04

Section C.1.8 -- Submit a revised Toxicity Reduction Evaluation plan for Outfall 001 by 9/15/04

And a clarification that no deliverables listed in Attachment J-4.1 (other than those required during transition) are required prior to assumption of site responsibility (October 1, 2004).

The new site responsibility assumption date will not allow for maintaining these milestones in the schedule and also allow for an accurate reflection of the cost. The schedule and cost cannot be integrated in a supportable fashion unless the SOW and milestones are updated.

Answer: An amendment was issued to clarify the scope of work.

345. [Paducah] For employees that the offering entity is not planning to transition from BJC and their subcontractors, will the termination & severance costs be incurred by BJC and/or their subcontractors since they never become an employee of the Offeror? In particular, those employees covered by grandfathered status.

Answer: The termination and severance costs will be borne by the employer(s). Caution: Any termination and severance costs due to contractor's failure to comply with H.18 hiring preference or any other clause will be borne by the contractor.

346. Section J.8.1 of the Remediation RFP lists the facilities for which the Remediation Contractor has responsibility for Surveillance & Maintenance (S&M). However, the RFP does not define the scope of work for S&M activities. In Section C.2.B of the

Infrastructure RFP, S&M scope is defined. It appears that this Infrastructure scope would be appropriate for the scope of S&M for the Remediation RFP. Should a scope similar to that described for Infrastructure be assumed for S&M activities to be conducted by the Remediation Contractor? Please clarify the scope of S&M for the Remediation RFP.

Answer: The Remediation contractor(s) responsibility for surveillance and maintenance includes, but is not limited to, building operational system and structural surveillance, repair, and maintenance in a graded approach which may include, roof, windows, floors; maintenance of installed building systems such as HVAC, plumbing, electrical, laboratory hoods (if present); Life Safety Code systems. Maintenance for real property is defined in DOE Order 430.1B "Real Property Asset Management".

347. Section B.1.4 Incentive Structure states that the "Minimum Fee shall not be below 2% of the Target Cost (unless otherwise reduced as allowed for in this contract)" We assume that "unless otherwise reduced as allowed for in this contract" refers only to Section B.1.7 and not to the "Share Ratio" Portion of Section B.1.4

Is this assumption correct?

Answer: The assumption is not correct. There are other provisions in the contract, such as Section B.1.6.2 and B.2.6.2, Provisional Quarterly Fee Adjustments and Reductions, and Clause H.5, Key Personnel, that may result in reductions below the 2% minimum fee. The share ratio portion of B.1.4 is no different than the Incentive Fee clause, I.23.

348. [Paducah] Amendment 003 changed the contract start date to October 1, 2004, is there a corresponding change in the PBS funding restrictions for FY'04? Additionally, is there a reduction in B.1.2 and B.2.2 contract funding profiles for both FY'04 as well as the total contract funding?

Answer: No, as to both questions.

349. [Portsmouth] Question: Section C.2.4.2.(b) of the SOW requires the Remediation Contractor to dispose of the "materials generated by the GCEP Disassembly Contractor to other locations on site or disposition to an off-site disposal facility." The document titled, "Environmental Assessment of the USEC American Centrifuge Lead Cascade Facility," provides the waste volumes and types that are anticipated to be generated by the GCEP disassembly contractor. Would DOE please confirm that these are the volumes that should be used as the basis of estimate?

Answer: The projected volume of waste from the GCEP equipment cleanout is estimated at 284,864 cubic feet.

350. [Portsmouth] Question: Section C.2.1.3.2 of the SOW contains a table that indicates that the holding tanks exterior to the site sewage facility (X-615) are included as part of the demolition. Are the exterior tanks associated with the Liquid Effluent Control Facility (X-616) also included as part of the demolition?

Answer: Yes. The exterior tanks associated with the Liquid Effluent Control Facility (X-616) in Section C.2.1.3.2 should be included as part of demolition. This will be revised in an amendment.

351. [Portsmouth] Exhibit C.2.0.3. Section C2.1.2 Scrap Yard Milestones/Schedule -- The completion milestone for the remaining 2,000 tons of scrap metal from the Portsmouth Scrap Yard is stated as "Not later than 9/30/04". Should we assume that there is a new completion milestone for this work now that the contract assumption date is 10/01/04? If so, what is the new milestone?

Answer: The revised milestone completion date is not later than September 30, 2005 and the remaining weight of scrap metal be revised from 2,000 tons to 1,000 tons. Both revisions will be included in an amendment.

352. [Portsmouth] SOW C.2.1.3.2 -- Please verify the number and types of process equipment (converters and / or compressors) that are present in the X-770 facility.

Answer: A list of property for the X-770 facility has been posted to the Remediation Web Site. There are no converters or compressors in X-770.

353. [Portsmouth] L.17.I 3rd paragraph requires an integrated schedule at least one level below the WBS provided in Section J Attachment 5.2. L.18(d) requires a cost proposal correlated with the SOW (Section C), the WBS (Section J Attachment 5.2), and the technical approach proposed by the offeror. Which level of detail does DOE require that the cost proposal present all requested cost elements: (1) at the same level as the WBS, (2) at the same level as the integrated schedule in L.17.I (i.e., at least one level below the WBS), or (3) at the lowest level estimated by the offeror?

Answer: At a minimum, the offerors should provide cost proposals at the level specified in Section J, Attachment 5.1 (Paducah) and 5.2 (Portsmouth). The offeror has the option to provide cost proposals at a lower level.

354. [Paducah] RFP Section C.1.3.1.2 Work Performed last sentence states, "The facilities and Zones to be decontaminated, decommissioned and dispositioned are identified within Exhibit C.1.3.1.a. Exhibit C.1.3.1.a lists facilities other than C410 Sectors I, II, and III identified in C.1.3.1.2.a, which is in accordance with Exhibit C.1.0.3 Milestones/Schedule/Reference Documents. Is it the DOE's intent to decontaminate, decommission, and disposition all facilities identified in Exhibit C.1.3.1.a or only the Sectors Identified in C.1.3.1.2 and C.1.0.3 accordingly?

Answer: Offerors are only required to perform all activities to remove and disposition all components and items from Sectors I, II, and III of the C-410/420 Complex as identified in C.1.3.1.2a and Exhibit C.1.0.3, Item C.1.3.1.

355. [Paducah] Reference L.5(c)(2) The first page of the proposal must show -- (i)

through (v). Reference L.16(b) Signed contract - The "Solicitation, Offer, and Award," fully executed and used as the first page of each copy of the Volume I, Offer. QUESTION: What should we use for the first page of Volume I? Would we use the other as page 2? Can we use a transmittal letter to introduce ourselves (team) to the evaluators of Volume I?

Answer: L.16(b) will be revised in an amendment to delete the requirement to make the SF33 the first page of Volume I of the proposal (it will be required to be *included* in Volume I. Offerors may include a short cover letter of introduction in Volume I, however, technical evaluators will not have access to this information during technical evaluations.

356. Page C.2-25 of 32; Exhibit C.2.2.2: "Column 7 Volume, Column 8 Weight" a. Please provide the units for these two columns. b. Would DOE provide the storage locations of these wastes? These locations are relevant to our waste disposition plan.

Answer: a. Cubic meters and kilograms. b. The waste storage locations are included in the PWTARS data that has been posted to the Remediation Web Site.

357. [Portsmouth] In order for the potential contractors to develop target costs and schedules that are reasonable, additional characterization data for the waste is required. This data should be available for much of the waste, especially the radiological data.

Answer: The waste characterization data is included in the PWTARS data that has been posted to the Remediation Web Site.

358. J-Attachment 6- 3 of 4; Subcontracts for Novation; X-622T Groundwater Treatment Facility Upgrade; Will this the work under this subcontract still be underway after the Remediation Contractor takes over?

Answer: The Section J, Attachment 6 stated end date is 12/31/04. Work may still be ongoing under this subcontract and the contractor will be responsible for the on-going work if not complete at time of assumption of responsibility.

359. Will DOE please provide print out sheet from the Waste Information Tracking System (WITS) for Paducah? This information is necessary to assess the level of characterization of Paducah legacy waste.

Answer: Additional characterization data as "Paducah Waste Inventory by waste type and Facility" and "Radiological Constituent Information by Wastestream and Facility" have been posted to the Remediation Web Site. The WITS information is not available.

360. Will DOE please provide Portsmouth site radiological, asbestos, and chemical characterization data?

Answer: A map of the radiological postings for Portsmouth has been posted to the

Remediation Web Site. There has not been a comprehensive asbestos survey at Portsmouth. However, two comprehensive asbestos building inspections (X-615 and X-770) documents have been posted to the Remediation Web Site. Chemical data is included in the RFI data that will be posted to the Remediation Web Site.

361. In accordance with Section C.2.5.2a, is it the contractor's responsibility to find the disposition route for the uranium material? What if the contractor cannot find a disposition route? Will the Department assist?

Answer: Yes, it is the contractors responsibility to find a disposition route for the uranium material. The DOE may assist, if necessary, in finding a disposition route; but it is the contractor's responsibility.

362. The purpose of this question is to clarify a previous question in which information was requested on the radiological condition of the waste. Specifically, we are concerned about the concentration and absolute amount (total grams) of U235 contained in each waste stream and/or container. This information could have a major impact on the cost and schedule to disposition the waste.

Answer: All available characterization data has been posted in the completed DMSA Characterization Reports. Additional characterization data as "Paducah Waste Inventory by waste type and Facility" and "Radiological Constituent Information by Waste stream and Facility" have been posted to the Remediation Web Site.

363. At the end of Attachment 5.1 of Section J, a work breakdown structure (WBS) is identified for Project Support functions. However, the funding restrictions (PBS) at the beginning of that attachment does not include that section of the WBS. How is the cost of Project Support functions to be related to the PBS funding limits?

Answer: Project Support may be distributed across multiple PBSs. The offeror should structure their proposal to include all of the work scope into the existing PBS structure. Direct Project Support costs related to a WBS should be accounted for within the WBS. Project Support costs not directly related to a WBS should be accounted for in WBS C.1.9. and C.2.7. in the Paducah and Portsmouth Remediation SOWs, respectively. There are no specific funding restrictions related to Project Support costs other than to stay within the anticipated funding profile for fiscal year, the total anticipated funding profile and the funding restrictions for each PBS.

364. Section H.1.1(a) requires the offeror to establish, maintain, and use a project control and management system that shall be fully integrated with Department of Energy's financial accounting systems. Section H.17(a).c provides Government Furnished Services including certain Computer systems. Will additional systems currently in use by Bechtel Jacobs Corp. (BJC) be made available to the offeror awarded this contract? If so, which systems? Will the successful offeror need to enter into a service agreement with BJC, (or another contractor)? Will the offeror need to procure operating licenses for these systems? If this information will not be provided directly by DOE, please identify

the BJC person(s) and their contact information.

Answer: A list of applications/systems available has been posted to the Remediation Web Site under "BJC applications available for Transfer" and "DOE Applications on BJC Equipment." It is not anticipated that the successful offeror would enter in to a service agreement with BJC. During transition, the successful offeror will be able to negotiate their own licensing agreements or purchase any commercial off the shelf (COTS) software they deem necessary to support achievement of the SOW requirements.

365. Section C.2.5.1, General Information, states that additional Portsmouth uranium materials are stored in X-326 (L-cages and EU DMSA 11&12), at X-344 DMSA, at X-345 and at X-744G buildings. Should contractors include the inventory currently located in facilities X-326 (L-cages and EU DMSA 11&12), at X-344 DMSA, and at X-345, as inclusive for determining the inventory of existing uranium materials at Portsmouth. Specifically are materials in facilities X-326 (L-cages and EU DMSA 11&12), at X-344 DMSA, at X-345, to be included when responding to the requirement of Section C.2.5.2 (a)? As an example, stand-by equipment located in facility X-344 DMSA may contain uranium materials in holdup lines. Disposition of these materials sale, reuse, or disposal could significantly impact work planning efforts for this procurement.

Answer: Yes. All materials should be included when addressing C.2.5.2a.

366. C.1.9.3 (l) – what is the purpose of the environmental compliance due diligence review at the end of the transition if there will be no change to target cost if site conditions are encountered that are significantly different from those assume or from the information provided relative to this RFP.

Answer: The contractor is responsible to determining the environmental compliance status.

367. Will the existing databases used to track the waste inventory, characterization data, source terms, etc. be provided to the Remediation contractor? These databases are not listed in section H.17 as GFSI.

Answer: The OREIS database was added as GFSI in Amendment 0002. Access to WITS will be provided during transition. This application is included on the document "BJC applications available for Transfer" which is posted on the Remediation Web Site.

368. The Government Furnished Services list at H.17, and the Government Furnished Property List at J.3 do not provide specifics regarding business systems, such as those that support Project Controls, Accounting and Human Resource management. Will such systems be transferred from the incumbent to the remediation contractor or maintained for the remediation contractor by the Infrastructure contractor? Or will the remediation contractor need to rely on a combination of corporate systems and systems acquired and installed for this specific operation?

Answer: The project management system, accounting and human resources systems for the Remediation contractor activities are the responsibility of the Remediation contractor and will not be provided or maintained by the Infrastructure contractor. A list of applications/systems available has been posted to the Remediation Web Site under "BJC applications available for Transfer" and "DOE Applications on BJC Equipment."

369. [Paducah] Is the PACE labor cost calculated in the limitation of subcontracting clause for small business set asides?

Answer: The cost incurred for personnel (as defined in Section L.18(t)(2)) includes represented and non-represented personnel.

370. [Paducah] Are the building trades craft labor cost calculated in the limitation of subcontracting clause for small business set asides?

Answer: The cost incurred for personnel (as defined in Section L.18(t)(2)) includes represented and non-represented personnel.

371. The RFP does not include information related to the forms or characteristics (e.g., designated as waste, RCRA, etc.) of uranium requiring disposition. There is also no indication of what material is already committed through the current NFS contract or any other contracts in negotiation. Will DOE please provide a list of material to be dispositioned, with general characteristics?

Answer: The waste requiring disposition and its general characteristics is provided in Exhibit C.2.2.2. Specifics on material included in the NFS subcontracts is provided in the Reuseable Uranium Products Service Catalogue and is Official Use Only information, and a link to obtain the information has been posted on the Remediation Web Site. Subcontract values for HEU Conversion and HEU Storage have been posted to the Remediation Web Site for estimating purposes.

372. Section C.1.2.3 states, in part, that the work scope shall be considered complete following the disposition of 100% of the RCRA, RCRA/TSCA, TSCA, and 40% of the LLW legacy waste identified in Table C.1.2.3.a, and all waste identified in the Site Treatment Plan (except TRU waste). Considering the waste codes provided in the Site Treatment Plan and that the TSCA Incinerator is scheduled to cease operation early in FY06, there is insufficient DOE and commercial capability and/or capacity currently available to handle all the identified waste. If additional DOE or commercial capability and/or capacity does not become available, will DOE consider waste to be dispositioned if there is no available treatment or disposal capacity and the waste is otherwise in compliance with applicable requirements?

Answer: No, the contractor is responsible for developing an approach for complying with the requirement in the SOW which coincides with the closing of the TSCA incinerator or developing alternative methods of dispositioning this waste if the TSCA

Incinerator is not available. The TSCA incinerator is currently scheduled to discontinue waste treatment at the end of September 2006.

373. [Paducah] Can DOE please provide a cross walk between the posted documents and the reference documents in Section C to assist in locating the available information?

Answer: A matrix has been posted to the Remediation Web Site.

374. Reference: Amendment 0002 Item 22 H.18(f)Pay and Benefits (10) Training. "Training -- The Contractor will establish a one-time training program specifically for the purpose of training individuals who are employed by BJC or its first or second tier subcontractors or USEC in the skills classifications required for the commencement of the non-construction activities listed in the SOW and who are threatened with involuntary separation (except for cause) consistent with paragraph (c) above. The one-time training program will not exceed six months in duration and \$5,000 (subject to available funding) per person in cost in addition to wages and benefits." Questions: 1) We were under the impression that we have no responsibilities for employees that we have not hired. After transition is the new Contractor responsible for training, wages and benefits for 6 months of those employees the Contractor did not hire who were formerly "employed by BJC or its first or second tier subcontractors or USEC in the skills classifications required for the commencement of the non-construction activities listed in the SOW"? 2) Does this requirement on the new Contractor only apply to employees it hired and who are subsequently "threatened with involuntary separation" after transition. 3) If BJC gives "Warn notice to all of its employees at the start or during our 45 day transition, does BJC continue to provide wage and benefits for the remaining balance of the required 90 day notice period by the Act for those employees not hired by the new Contractor? 4) We assume that the \$5,000 covers all training costs other than the labor of the trained persons, such as the cost of trainers, training facilities, training materials. Is this correct?

Answer: 1) No. The new contractor is not responsible for employees it did not hire, but does have to comply with the requirements of Section H.18 and any and all clauses pertaining to displaced workers and 3161 requirements. 2) The requirement in Section H.18 applies for six months. The contractor is required to comply with all contract clauses pertaining to displaced workers, 3161 requirements and any and all applicable collective bargaining agreements. 3) The contractor is not responsible for the wage and benefits of employees not hired. 4) The training costs does not include the wage and benefits of the trainee. The total maximum allowable cost for this training is \$5,000.

375. [Portsmouth] C.1.03 Contractor Performance and Key Requirements (Portsmouth). Amendment 0001 added the statement "The contractor shall operate and perform surveillance and maintenance activities for the facilities as assigned in Section J, Attachment 8.2". Attachment 8.2 has over 80 buildings listed as REM. In regards to these items please answer the following questions: a. Please define what tasks/operations/costs elements constitutes the "full responsibility of the Remediation contractor" for these facilities? b. Please define what tasks/ operations/ costs elements constitutes "S&M" for these facilities? c. Will a new WBS be added for the costs of

these operations? If not, which WBS element should the costs be included in? d. Which PBS includes the funding for these activities? e. To address these activities in our proposal, will a new section be added to Section C and L in which all building S&M can be combined? If not where should this be addressed in the proposal? Please increase the page count to allow for addressing these added facilities and responsibilities?

Answer: a. & b. The Remediation contractor(s) responsibility for surveillance and maintenance includes, but is not limited to, building operational system and structural surveillance, repair, and maintenance in a graded approach which may include, roof, windows, floors; maintenance of installed building systems such as HVAC, plumbing, electrical, laboratory hoods (if present); Life Safety Code systems. Maintenance for real property is defined in DOE Order 430.1B "Real Property Asset Management". c/d/e An additional WBS for S&M will not be added. The funding for S&M activities is already in the PBSs. The page limitations will not be increased.

376. In the Paducah Scrap Metal Removal and Disposal Contract, the quantity of material initially targeted for disposition at the onsite landfill was required to be the estimated quantity as indicated by the instructions in Form A, Sect. 3.1 of the RFP for the Paducah Scrap Metal Removal and Disposal Project. This estimate basically required one to use the EE/CA (DOE/OR/07-1880&D2) and use the assumptions in the EE/CA (including a arbitrary assumption that 50% of the waste for most of the scrapyards could go to the C-746-U Landfill) resulting in 13,272 tons of 28,644 total tons of material targeted for onsite disposition. At the time of that procurement and reiterated within Table C.1.2.1a of this procurement, anecdotal information suggested that only the C-746-P scrapyard (1,673 tons) and C-746-P1 scrapyard (946 tons) could be dispositioned at C-746-U Landfill (total of 2.619 tons) resulting in a difference of additional 11.000 tons that have to be transported and dispositioned offsite. Since the Paducah Scrap Metal Removal and Disposal Contract is a fixed unit rate contract, it appears that there is a strong probability that the subcontractor costs will increase (in addition to the current REAs and amendments to the Paducah Scrap Metal Removal and Disposal Contract) by ~\$3.5 M and the disposition costs that we would have to incur would also increase substantially (for off-site disposition of the additional 11,000 tons). In addition, the pricing instructions in the original RFP allowed for a 10% variance in disposition quantities. Does the current Paducah Scrap Metal Removal and Disposal Contract have a provision in the contract to renegotiate rates for quantities over the estimated quantity in the Contract?

Answer: The SOW for the current Paducah Scrap Metal Removal and Disposition Contract has been posted to the Remediation Web Site.

377. The RFP identifies that characterization is completed for several DMSAs. (a) Does characterization mean the waste is characterized for transportation? (b) For disposal? (c) For chemical characterization? (d) For isotopic radiochemical characterization? (e) For Nuclear Safety Characterization?

Answer: The scope of the DMSA project is to characterize and remove the RCRA and

TSCA material stored within the DMSAs. The Final Characterization Reports provide the characterization results for each fully characterized DMSA, and are posted to the Remediation Web Site.

378. If the RFP is written so that the contractor is penalized both in fee as well as in sharing the additional costs, this seems to be both a case of being penalized twice for the same thing and a huge risk for a small business. No where in the FAR provisions on incentives is there any discussion or approval of such a double penalty on the same thing for the same reason. If DOE is truly interested in getting capable small businesses to participate, they must relook at the appropriate and fair way to incentivize and penalize performance. Penalties that would potentially put a small business into bankruptcy are not the way to go. We request that the Share ratio language be deleted, or in the alternative there be a cap on the total liability of the small business proposer.

Answer: The share ratio and incentive fee are not two separate incentives. The incentive structure in B.1.4 or B.2.4 is the same as the calculation of fee payable in Clause I.23(e). The share ratio indicates how the fee will be calculated if total allowable costs are over or under the Target Cost as specified in Clause I.23, Incentive Fee. The Minimum and Maximum Fee for these purposes are 2% and 12% of the proposed Target Cost, respectively. However, there are other provisions in the contract, such as Section B.1.7 or B.2.7, Conditional Payment of Fee, that may result in reductions below the 2% minimum fee.

379. [Paducah] The Offeror is required to provide for health physics services at the site related to the remediation SOW. BJC and their subcontractors currently have over 800 "rad con" related instruments (meters, probes, air samplers, etc.) that are in use at Paducah to support both Infrastructure and Remediation SOWs. Given that BJC worked with DOE to transfer ownership of some of this equipment/instrumentation to BJC subcontractors in exchange for lower cost fixed price (or fixed unit rate) subcontracts, some Offerors will now have a significant capital outlay to continue compliance with the BJC RPP which is required to be adopted per the RFP. Given DOE no longer owns this equipment and cannot provide it is as government furnished: * (a) How will the bids (cost estimates) be normalized (some subcontractors that were given this equipment by BJC/DOE are also bidding these RFP(s)) to assure there is no a cost advantage to an incumbent BJC subcontractor? * (b) This same 'normalization' question applies as it relates to other site equipment not being provided by DOE due to previous BJC transfer to a subcontractors also applies. Please clarify how we should address this in the cost estimate/cost volume.

Answer: The DOE-owned rad instrumentation available for use by the Remediation contractor at Paducah has been posted to the Remediation Web Site.

380. Items 4 and 5 in Amendment 0003 state that the 35-day transition period will begin on August 26, 2004. Will transition costs be covered by the \$14 million FY2004 funding, or has this funding level changed?

Answer: Only transition costs are included in the FY04 funding. The transition costs are covered by the \$14 million dollars and the funding level has not changed. The actual funding level of FY2004 is subject to change based on actual award date of the contract. Offerors should base it's proposal for transition cost on it's approach to transition.

381. [Portsmouth] Section J Attachment 5.2- Portsmouth Funding Restrictions by PBS -- With the new FY05 assumption date, has any of the FY04 funding been rolled into the follow-on year funding profile? If so, please indicate which FY to which it is now applied.

Answer: No.

382. [Portsmouth] Does the DOE desire major subcontractors (over \$5 million in any one given year) to submit representations and certifications and SF 328 as part of Volume I?

Answer: Representations, Certifications, and Other Statements of Offerors, should be fully executed by a representative of the entity (individual representing the legal entity) making the offer and also by each joint venture member, LLC member, and Major Subcontractor.

383. [Paducah] Reference Section C.1.2.2.3 Waste Disposition and Waste Facility Operations. The nature of legacy waste is that a majority of the waste has been packaged based on process knowledge, in a time when waste packaging controls were not as stringent as they are now, allowing non-conforming materials and liquids to exist in the containers which potentially does not meet disposal facility WACs. To mitigate these concerns, the current waste management practice is to open and examine 100% of the legacy waste containers. The Statement of Work does not address this practice and does not indicate that DOE wants this to continue. Does DOE want this to continue? If not how does DOE plan to meet the DOE approved disposal facilities WAC with a large portion of the waste not opened and verified? What portion of the approved DOT legacy waste containers have expired requiring repackaging to meet DOT requirements for shipment?

Answer: The contractor is responsible for meeting the requirements of the RFP, including the requirements of the receiver site's WAC. The offeror's proposal should include their approach to meeting these requirements. An estimated 2/3 of the waste inventory in storage will require re-packaging prior to off-site shipment.